WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Policy of bidding for coal blocks

2416. SHRI PYARIMOHAN MOHAPATRA: Will the Minister of COAL be pleased to state:

(a) what are the benefits envisaged in Government's policy of bidding for coal blocks;

(b) how Government is going to ensure that most of the remaining coal blocks are not cornered by multinationals/foreign companies in the process of bidding; and

(c) the steps taken by Government on the representations of the Indian mine-owners in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SHRIPRAKASH JAISWAL): (a) With progressive allocation of coal blocks, the number of coal blocks available for allocation is declining, while the number of applicants per block is increasing, as the demand for coal keeps increasing. This has made the selection of an applicant in respect of a block difficult and vulnerable to criticism on the ground of lack of transparency and objectivity. Therefore, there is an urgent need to bring in a process of selection that is not only objective but also demonstrably transparent. Auctioning through competitive bidding is one such/acceptable selection process. This would also be a means of securing the most optimal allocation of limited and precious natural resources such as coal and lignite.

(b) In terms of the Mines and Minerals (Development and Regulation) Amendment Bill, 2008, auctioning through competitive bidding would be applicable to coal blocks offered for captive use in specified end-uses only. Allocation to Government companies and power projects accorded through tariff based competitive bidding would not fall within the purview of auction. In view of the captive use stipulation, coal blocks would be allocated to companies which are registered and operating within India, and are either engaged in the specified end use activities or have back-to-back tie up with such end user companies.

(c) A representation from the Federation of Indian Mining Industries (FIMI) has been received recently, which will be examined on merits.

Allocation of coal to Gujarat

2417. SHRI PRAVEEN RASHTRAPAL: Will the Minister of COAL be pleased to state:

(a) what are the criteria for allocation of coal from Western Collieries Ltd, (WCL);

(b) whether there is a demand from Gujarat for allocation of coal from WCL; and

(c) if so, the details of such allocation during the last five years?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SHRIPRAKASH JAISWAL): (a) The Standing Linkage Committee (Short Term), an inter-Ministerial Committee comprising of representatives of Central Electricity Authority, Ministry of Power, Ministry of Railways and